

7-Eleven Malaysia Holdings Berhad

[Registration No: 201301028701 (1058531-W)]

Date : 28 May 2020

Subject: UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2020

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	CURRENT AND CUMULATIVE QUARTER 3 months ended	
	31.3.2020	Restated * 31.3.2019
	RM'000	RM'000
Revenue	619,292	583,731
Cost of sales	<u>(426,745)</u>	<u>(400,698)</u>
Gross profit	192,547	183,033
Other operating income	33,160	28,296
Selling and distribution expenses	(159,919)	(159,230)
Administrative and other operating expenses	<u>(35,361)</u>	<u>(25,562)</u>
Profit from operations	30,427	26,537
Finance costs	(10,339)	(10,449)
Share of results of an associate	<u>(344)</u>	<u>-</u>
Profit before tax	19,744	16,088
Income tax expense	<u>(8,374)</u>	<u>(4,934)</u>
Profit after tax	<u>11,370</u>	<u>11,154</u>
Profit after tax attributable to:		
Equity holders of the Company	11,371	11,145
Non-controlling interest	<u>(1)</u>	<u>9</u>
	<u>11,370</u>	<u>11,154</u>
Total comprehensive income for the financial year		
Equity holders of the Company	11,371	11,145
Non-controlling interest	<u>(1)</u>	<u>9</u>
	<u>11,370</u>	<u>11,154</u>
Basic/diluted earnings per ordinary share (sen) (Note B11)	<u>0.99</u>	<u>0.99</u>

* The presentation and classification in the previous financial year have been reclassified to conform with current year's presentation.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	The Group	
	Unaudited	Audited
	As at	As at
	31.3.2020	31.12.2019
	RM'000	RM'000
Assets		
Non-current assets		
Property, plant and equipment	379,111	338,129
Right of use assets	675,359	608,530
Intangible assets	331,741	29,390
Other investments	3,365	28,000
Investment in an associate	7,168	-
Sundry receivables	24,020	14,533
Deferred tax assets	1,268	-
	<u>1,422,032</u>	<u>1,018,582</u>
Current assets		
Inventories	372,185	231,330
Sundry receivables	108,636	75,900
Cash and bank balances	206,313	96,207
	<u>687,134</u>	<u>403,437</u>
Total assets	<u>2,109,166</u>	<u>1,422,019</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	1,485,138	1,485,138
Treasury shares	(128,928)	(128,928)
Capital reorganisation deficit	(1,343,248)	(1,343,248)
Assets revaluation reserve	41,969	41,969
Retained profits	58,356	46,985
	<u>113,287</u>	<u>101,916</u>
Non-controlling interest	48,177	195
Total equity	<u>161,464</u>	<u>102,111</u>
Non-current liabilities		
Provisions	9,779	9,804
Borrowings	381,501	25,200
Lease liabilities	580,046	530,520
Contract liabilities	5,077	4,549
Deferred tax liabilities	9,342	9,872
	<u>985,745</u>	<u>579,945</u>
Current liabilities		
Provisions	644	529
Borrowings	128,402	124,200
Trade payables	587,117	403,259
Other payables	132,423	129,449
Lease liabilities	100,951	76,592
Contract liabilities	3,631	2,510
Taxation	8,789	3,424
	<u>961,957</u>	<u>739,963</u>
Total liabilities	<u>1,947,702</u>	<u>1,319,908</u>
Total equity and liabilities	<u>2,109,166</u>	<u>1,422,019</u>
Net assets per share attributable to ordinary equity holders of the Company, based on number of outstanding shares in issue with voting rights (sen)	<u>9.85</u>	<u>9.09</u>

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to Equity Holders of the Company							Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Capital reorganisation deficit RM'000	Assets revaluation reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interest RM'000	
At 1 January 2020								
As previously stated	1,485,138	(128,928)	(1,343,248)	41,969	46,985	101,916	195	102,111
Acquisition of a subsidiary	-	-	-	-	-	-	47,983	47,983
Total comprehensive income	-	-	-	-	11,371	11,371	(1)	11,370
At 31 March 2020	1,485,138	(128,928)	(1,343,248)	41,969	58,356	113,287	48,177	161,464
At 1 January 2019								
As previously stated	1,485,138	(161,941)	(1,343,248)	41,152	71,208	92,309	169	92,478
MFRS 16 adoption	-	-	-	-	(18,175)	(18,175)	-	(18,175)
As restated	1,485,138	(161,941)	(1,343,248)	41,152	53,033	74,134	169	74,303
Total comprehensive income	-	-	-	817	54,058	54,875	26	54,901
Dividends on ordinary shares		33,013			(60,106)	(27,093)	-	(27,093)
At 31 December 2019	1,485,138	(128,928)	(1,343,248)	41,969	46,985	101,916	195	102,111

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	CUMULATIVE QUARTER	
	3 months ended	
	31.3.2020	31.3.2019
	RM'000	RM'000
Cash flows from operating activities		
Cash receipts from customers and other receivables	640,606	621,192
Cash paid to suppliers and employees	(574,422)	(529,606)
Cash generated from operations	<u>66,184</u>	<u>91,586</u>
Interest paid	(2,452)	(2,067)
Tax paid	(4,942)	(4,939)
Net cash generated from operating activities	<u>58,790</u>	<u>84,580</u>
Cash flows from investing activities		
Acquisition of an associate	(7,512)	-
Acquisition of a subsidiary	(252,081)	-
Purchase of property, plant and equipment	(14,885)	(12,507)
Proceeds from disposal of property, plant and equipment	49	-
Dividend received	29	-
Interest received	223	229
Net cash used in investing activities	<u>(274,177)</u>	<u>(12,278)</u>
Cash flows from financing activities		
Proceeds from bankers' acceptances	63,300	37,500
Proceeds from term loan	354,645	-
Payment of principal portion of lease liabilities	(27,119)	(27,575)
Repayment of bankers' acceptances	(60,500)	(51,000)
Repayment of term loans	(4,800)	(3,700)
Repayment of hire purchase and finance lease liabilities	(33)	(131)
Net cash generated from/(used in) financing activities	<u>325,493</u>	<u>(44,906)</u>
Net increase in cash and cash equivalents	110,106	27,396
Cash and cash equivalents at beginning of the financial period	<u>96,207</u>	<u>72,548</u>
Cash and cash equivalents at end of the financial period	<u>206,313</u>	<u>99,944</u>

Cash and cash equivalents at the end of the financial period comprises the following:-

Cash and bank balances	135,790	98,918
Fixed deposits with licensed banks	1,361	1,026
Short term funds	69,162	-
	<u>206,313</u>	<u>99,944</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

NOTES TO THE INTERIM FINANCIAL REPORT

A1. CORPORATE INFORMATION

7-Eleven Malaysia Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia.

The principal activity of the Company is investment holding.

The principal activities of its subsidiaries are in the operating and franchising of convenience stores under the "7-Eleven" brand name and investment holdings.

The Company and its subsidiaries are collectively referred to as the Group.

A2. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2019.

The interim financial report is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

A3. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2019 except as follows:

On 1 January 2020, the Group adopted the following amended MFRSs mandatory for annual financial period beginning on or after 1 January 2020:

Description	Effective for annual financial periods beginning on or after
Amendments to MFRS 3: <i>Business Combinations</i>	1 January 2020
Amendments to MFRS 7: <i>Financial Instruments: Disclosures</i>	1 January 2020
Amendments to MFRS 9: <i>Financial Instruments</i>	1 January 2020
Amendments to MFRS 101: <i>Presentation of Financial Statements</i>	1 January 2020
Amendments to MFRS 108: <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2020
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	1 January 2020
Revised Conceptual Framework for Financial Reporting	1 January 2020

Adoption of the above standards and interpretations did not have any significant impact on the financial performance or position of the Group.

The standards, amendments to standards and IC Interpretation that are issued but not yet effective up to the date of issuance of the Group's financial statements are disclosed below:

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020 NOTES TO THE INTERIM FINANCIAL REPORT

A3. CHANGES IN ACCOUNTING POLICIES (CONT'D)

Description	Effective for annual financial periods beginning on or after
MFRS 17 : Insurance Contracts	1 January 2021
Amendments to MFRS 101 Presentation of Financial Statements: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022

The Group has not early adopted any of the new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning on or after 1 January 2020. The Group intend to adopt these standards, if applicable, when they become effective. The initial application of the new or revised MFRSs and Amendments to MFRSs, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impacts to the financial statements of the Group upon their initial adoption.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Group typically experience higher customer count, transaction value and sales during weekends, public holidays, school holidays and festive periods such as Chinese New Year, Hari Raya, Deepavali and Christmas.

A5. ITEMS OF UNUSUAL NATURE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial year that have had a material effect in the current financial period.

A7. CHANGES IN COMPOSITION OF THE GROUP

On 27 December 2019, 7-Eleven Malaysia Sdn Bhd ("SEMSB"), a subsidiary of 7-Eleven Malaysia Holdings Berhad ("SEM") had entered into a subscription agreement for the subscription of 490,030 new ordinary shares ("Subscription Shares") representing about 46.45% equity interest in the enlarged issued share capital of Dego Malaysia Sdn Bhd ("DEGO") (*formerly known as Myinteractivelab Sdn Bhd*) for a cash consideration of RM7,512,160. The Subscription has been completed on 3 January 2020. DEGO will be a 46.45% associated company of SEM.

A8. DEBT AND EQUITY SECURITIES

There were no issuances and repayments of debt and equity securities, share buy-backs, share cancellations and resales of treasury shares for the current financial period ended 31 March 2020 and period up to the date of this announcement.

A9. DIVIDEND PAID

There was no dividend paid during the financial period ended 31 March 2020.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
NOTES TO THE INTERIM FINANCIAL REPORT

A10. SEGMENT REPORT

Segmental analysis for the financial year ended 31 March 2020 is as follows:

Revenue	External RM'000	Inter- segment RM'000	Total RM'000
For the twelve months ended 31 March 2020			
Convenience stores	619,239	-	619,239
Others	53	174	227
Inter-segment elimination	-	(174)	(174)
	<u>619,292</u>	<u>-</u>	<u>619,292</u>
For the twelve months ended 31 March 2019			
Convenience stores	583,679	-	583,679
Others	52	174	226
Inter-segment elimination	-	(174)	(174)
	<u>583,731</u>	<u>-</u>	<u>583,731</u>

Results	CUMULATIVE QUARTER	
	3 months ended 31.3.2020 RM'000	31.3.2019 RM'000
Convenience stores	37,530	26,819
Others	(7,670)	(511)
	<u>29,860</u>	<u>26,308</u>
Interest income	223	229
Profit from operations	30,083	26,537
Finance costs	(10,339)	(10,449)
Profit before tax	19,744	16,088
Income tax expense	(8,374)	(4,934)
Net profit for the year	11,370	11,154

A11. PROPERTY, PLANT AND EQUIPMENT

During the 3 months ended 31 March, the Group acquired assets at costs of RM14.9 million (2019 : RM12.5 million). The assets acquired comprise mainly of renovation, furniture, fittings, equipment and computer equipment.

A12. INVESTMENT PROPERTY

The valuation of investment property has been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2019.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
NOTES TO THE INTERIM FINANCIAL REPORT

A13. SIGNIFICANT RELATED PARTY TRANSACTIONS

Transacting party	Type of transaction	CUMULATIVE QUARTER	
		31.3.2020 RM'000	31.3.2019 RM'000
With a subsidiary company			
7-Eleven Malaysia Sdn Bhd ("7-Eleven Malaysia")	Advances from 7-Eleven Malaysia	11,818	251
	Interest expense on advances from 7-Eleven Malaysia	898	1,262
With companies in which TSVT is deemed interested*			
U Mobile Sdn. Bhd. ("U Mobile")	Receipts of payment from U Mobile for commission for sale of mobile phone reloads	3,700	3,438
	Payments to U Mobile for reload transaction values for in-store services for sale of mobile phone reloads	58,965	53,584
	Receipts of payment from U Mobile for advertisement placement fees	2,232	1,960
Securexpress Services Sdn. Bhd. ("Securexpress")	Payments to Securexpress for fees relating to the delivery of merchandise to stores	2,888	2,571
Berjaya Sompo Insurance Berhad ("Berjaya Sompo")	Payments to Berjaya Sompo for insurance premium	32	1,221
Berjaya Food Trading Sdn Bhd ("B Food")	Payment to B Food for purchase of beverages	694	357
Nural Enterprise Sdn Bhd ("Nural")	Payments to Nural for rental of property	353	331

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
NOTES TO THE INTERIM FINANCIAL REPORT

A14. CONTINGENT LIABILITIES

The Group has bank guarantees amounting to RM8,918,111 (31 December 2019: RM8,879,111) as security deposits in favour of various government and statutory bodies, and private companies.

The bank guarantee facility is granted to 7-Eleven Malaysia Sdn. Bhd. on a clean basis.

A15. CAPITAL COMMITMENTS

	The Group	
	Unaudited	Audited
	As at	As at
	31.3.2020	31.12.2019
	RM'000	RM'000
Property, plant and equipment		
- approved and contracted for	19,544	13,913
- approved but not contracted for	85,929	115,697
	<u>105,473</u>	<u>129,610</u>

A16. SUBSEQUENT EVENT

There were no significant events since the end of this current quarter up to the date of this announcement.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B1. REVIEW OF THE PERFORMANCE OF THE GROUP

Review of Current Quarter Performance versus Corresponding Quarter Last Year

The Group's revenue for the current quarter grew by RM35.6 million or 6.1% to RM619.3 million. The growth in revenue continued to be driven by the growth in new stores, higher same store sales and better consumer promotion activity. Revenue from fresh food and tobacco segment grew more than 13% and 7% respectively.

Gross profit improved by RM9.5 million or 5.2% to RM192.5 million. This was mainly attributed to the increase in revenue and improved logistics expenses recovery. Other operating income increased by RM4.9 million or 17.2% driven by increase in marketing income.

Selling and distribution expenses for the quarter increased by RM0.7 million or 0.4% driven by new store expansion resulting in higher utilities and rental expenses, partially offset by lower inventory shrinkages.

Administrative and other operating expenses increased by RM9.8 million or 38.3%. This was mainly attributed to RM5.9 million incurred due to corporate exercise in acquiring Caring Pharmacy Group Berhad, higher software maintenance cost and fixed asset written off.

The Group recorded a profit after tax of RM11.4 million, an increase of RM0.2 million or 1.9%. Excluding the cost incurred in the corporate exercise, the Group would have achieved profit after tax of RM20.0 million, an increase of RM8.8 million or 78.6%.

B2. MATERIAL CHANGES IN THE PROFIT BEFORE TAXATION FOR THE CURRENT QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

The Group recorded a higher profit before tax for the first quarter by RM3.6 million or 22.6% against the immediate preceding quarter mainly due to higher revenue and marketing income earned in current quarter.

B3. PROSPECTS

The Group's performance is affected by Covid-19 pandemic as our stores in the malls are closed while others are operating under restricted hours during the Movement Control Order. While it is difficult to ascertain changes in consumer behaviour and how the economy will recover, we will continue to explore opportunities for growth in other channels and innovate in our product offerings. We will also continue to focus on our customer's needs, pursuing our core strategy pillars of Operational Excellence, Cost Management and Commercial Innovation, at the same time refreshing the 7-Eleven brand in the mind of customers through refreshed stores, innovations in our pricing, promotions, and developing exciting products.

B4. VARIANCE OF ACTUAL RESULTS FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit estimate previously in any public document.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B5. PROFIT FROM OPERATIONS

Profit from operations is arrived at after charging/(crediting):

	CURRENT AND CUMULATIVE QUARTER 3 months ended	
	31.3.2020 RM'000	31.3.2019 RM'000
Amortisation of intangible assets	1,129	1,129
Amortisation of right of use	21,921	22,044
Depreciation of property, plant and equipment	15,870	14,609
Dividend income	(29)	-
Fair value changes of FVTPL for investments in quoted shares	1,258	-
(Gain)/Loss on foreign exchange translation differences	(30)	79
Impairment of goodwill	-	381
Impairment loss of receivables	-	500
Interest income	(223)	(229)
Loss/(Gain) on disposal of property, plant and equipment	75	(18)
Property, plant and equipment written off	261	8
Provision for and write off of inventories	3,223	2,000
	<u>3,223</u>	<u>2,000</u>

Other than as presented in the condensed consolidated statements of comprehensive income and as disclosed above, there were no gain or loss on disposal of quoted or unquoted investments or properties, impairment of other assets, gain or loss on derivatives and exceptional items included in the results of the current quarter and financial period ended 31 March 2020.

B6. TAXATION

	CURRENT AND CUMULATIVE QUARTER 3 months ended	
	31.3.2020 RM'000	31.3.2019 RM'000
Income tax:		
Current period provision	9,045	5,014
Deferred tax:		
Relating to reversal of temporary differences	(671)	(80)
	<u>8,374</u>	<u>4,934</u>

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current quarter and financial period ended 31 March 2020 were higher than the Malaysian's statutory tax rate mainly due to certain expenses not deductible under tax legislation.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B7. STATUS OF CORPORATE PROPOSALS

On 28 November 2019, Convenience Shopping (Sabah) Sdn Bhd ("**CSSSB**"), a wholly-owned subsidiary of 7-Eleven Malaysia Holdings Berhad had entered into a conditional share sale agreement ("**SSA**") with Motivasi Optima Sdn Bhd for the acquisition of 55,198,000 ordinary shares in Caring Pharmacy Group Berhad ("**Caring**") ("**Caring Shares**"), representing approximately 25.35% equity interest in Caring for a total cash consideration of RM143,514,800 or RM2.60 per Caring Share ("**Acquisition**").

Pursuant to the Acquisition, the collective shareholdings of CSSSB and identified persons acting in concert with it in Caring increased from 13.41% to 38.77%. Accordingly, upon the SSA becoming unconditional, CSSSB is obliged to extend a mandatory take-over offer to acquire all the remaining Caring Shares not already owned by CSSSB and persons acting in concert with it ("**PACs**") at a cash offer price of RM2.60 per Caring Share ("**Offer Price**") pursuant to Section 218(2) of the Capital Markets and Services Act 2007 ("**CMSA**") and Paragraph 4.01(a) of the Rules and Take-overs, Mergers and Compulsory Acquisitions ("**Rules**").

The SSA became unconditional on 14 February 2020 and as such, RHB Investment Bank Berhad, on behalf of CSSSB, served a notice of unconditional mandatory take-over offer on the board of directors of Caring in accordance with Paragraph 9.01(1) of the Rules, to acquire all the remaining Caring Shares not already held by CSSSB, SEM and the PACs for the Offer Price ("**Offer**").

The SSA was completed on 27 February 2020.

On 25 March 2020, CSSSB received valid acceptances in respect of the Caring Shares pursuant to the Offer which allows CSSSB to compulsorily acquire all the remaining Caring Shares for which valid acceptances have not been received on or prior to the closing date of the Offer ("**Compulsory Acquisition**").

The Offer closed on 10 April 2020. Subsequently, on 27 April 2020, CSSSB invoked the provisions of Section 222(1) of the CMSA, subject to Section 224 of the CMSA, for the Compulsory Acquisition, and the notice for the Compulsory Acquisition was despatched to the dissenting shareholders of Caring on the same date ("**Compulsory Acquisition Notice**").

Caring was delisted from the Official List of Bursa Malaysia Securities Berhad on 8 May 2020. Barring unforeseen circumstances, the company expects to complete the Compulsory Acquisition and accordingly, the Offer, by the 2nd quarter of 2020.

B8. GROUP BORROWINGS

The Group borrowings which are denominated in Ringgit Malaysia ("RM") as at 31 March 2020 are as follows: -

	Unaudited	Audited
	As at	As at
	31.3.2020	31.12.2019
	RM'000	RM'000
Short term borrowings		
Secured:		
Term loan	1,402	-
Unsecured:		
Bankers' acceptances	47,800	45,000
Term loan	19,200	19,200
Revolving credit	60,000	60,000
	<u>128,402</u>	<u>124,200</u>

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B8. GROUP BORROWINGS (CONT'D)

	Unaudited As at 31.3.2020 RM'000	Audited As at 31.12.2019 RM'000
Long term borrowings		
Secured:		
Term loan	6,456	-
Unsecured:		
Term loan	375,045	25,200
	<u>381,501</u>	<u>25,200</u>
Total borrowings		
Bankers' acceptances	47,800	45,000
Term loan	402,103	44,400
Revolving credit	60,000	60,000
	<u>509,903</u>	<u>149,400</u>

B9. MATERIAL LITIGATION

There was no material litigation for the current financial period to date.

B10. DIVIDEND

No dividend was declared or recommended for payment by the Company for the current quarter (previous corresponding quarter : Nil)

B11. EARNINGS PER SHARE

	CUMULATIVE QUARTER 3 months ended	
	31.3.2020	31.3.2019
Net profit attributable to equity holders of the company (RM'000)	11,371	11,145
Weighted average number of ordinary shares in issue ('000)	1,150,191	1,121,641
Basic/diluted earnings per ordinary share (sen)	<u>0.99</u>	<u>0.99</u>

The Company does not have any dilutive potential ordinary shares in issue for the current quarter to date.

B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not qualified.